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Date: 1954

MEMORANDUM FOR: Deputy Director (Administration)

STATINTL

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RE: Telephone conversation with Mr. James P. Mitchell, Secretary of Labor, to whom was posed the question: "What is the proper organizational echelon for the senior officer responsible for personnel administration? (Mr. Mitchell is a long-time personal friend of mine. He was during the war Director, Industrial Personnel Division, Armed Service Forces. Then, Personnel and Industrial Director, Macy's, New York. Then, Vice President for Personnel, Bloomingdale Bros., New York. Then, Assistant Secretary of the Army for Manpower. Then, an Eisenhower appointee to the Labor Department. His age is about 18, and all of his life he has been in the field of personnel administration and labor relations.

The substance of Mr. Mitchell's observations is this:

1. The senior personnel officer should report directly to the head of the Agency, because he needs prestige, responsibility and authority to act for the head of the Agency. Otherwise negates the fundamental principle that personnel (people) are the chief asset of any agency.

By reporting to the head of the Agency, Mr. Mitchell means that the personnel officer should be among the few who are in such a senior echelon. As noted heretofore, this Agency offends a basic organizational principle when it has nine officers officially reporting directly to the DCI, in addition to an informal miscellany who walk in.

2. I then described the net of Mr. Worthy's views to Mr.
Mitchell and his answer was: "I will buy all of that."

STATINTL

Chief, Management Staff